GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2863
ANSWERED ON:10.03.2003
ROLE OF CACP
BASUDEB ACHARIA;RATNA SINGH;SHIVAJI MANE

Will the Minister of AGRICULTURE be pleased to state:

(a) the role of the Agriculture Costs and Prices Commission (CACP) in determining the prices of the foodgrains;

(b) whether the Government are ignoring the recommendation of this commission;

(c) if so, the reasons therefor;

(d) the steps taken by the Government to provide remunerative prices to the farmer; and

(e) the Minimum Support Price (MSP) of various foodgrains at present?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): The Commission for Agricultural Costs and Prices (CACP) is an expert body, entrusted with thetask to advise on price policy of agricultural commodities with a view to evolving a balanced and integrated price structure in the perspective of overall needs of the economy and with due regard to the interests of producers and consumers.

(b) & (c): By and large, the Government concurs with the recommendations but at times improves upon the recommendations keeping in view the interests of the farmers.

(d): The Government announces each season Minimum Support Prices (MSPs) of major agriculturalcommodities and organizes purchase operations through public and cooperative agencies such as Food Corporation India (F.C.I. − paddy, wheat and coarse cereals), Jute Corporation of India (J.C.I. − Jute),Cotton Corporation of India (C.C.I.-Cotton), National Agricultural Cooperative Marketing Federation(NAFED − pulses and oilseeds) and Tobacco Board (Tobacco), besides other agencies designated by the State Governments. The designated Central Nodal Agencies are required to intervene in the market forundertaking purchase operations in case, the wholesale prices fall below the MSPsfixed by the Government. There has been a record procurement of agricultural commodities in recent years..

(e): A statement showing the Minimum Support Prices (MSPs) of agricultural commodities for the 2002-03 crop year is enclosed.